ø	, Approved For	Release 2002/08/28 : CIA-RDP80B01676R003500270026-9 DD/P <u>0-659</u>
		60-9797/
	MEMORANDUM FOR:	Director of Central Intelligence
	VIA:	Deputy Director (Plans)
	SUBJECT:	Letter for Ambassador Fraser Wilkins
STAT	Fraser Wilkins	emorandum transmits a proposed letter to Ambassador in Cyprus for the signature of the Director. ed is a reply to Ambassador Wilkins' letter of , which was hand-carried to
		CHIEF, EASTERN EUROPE DIVISION
	1 Attachment	
	cc: DDCI	

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State Dept. review completed

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SUBJECT: Brief of Ambassador Wilkins' Letter, 27 October 1960

Ambassador Wilkins mentions four problems that they are presently confronted with on Cyprus:

First, the several years of drought have worsened the lot of the farmer and contributed to urban unemployment. He mentions that they hope soon to obtain about 50,000 tons of American grain and to use the proceeds from the sale of this grain to lessen the unemployment problem.

Second, the London/Zurich agreements provide for a 2,000-man Cypriot army which the government would be hard put to set up and equip with its own funds. A recommendation on this problem was sent to Washington asking for U. S. help in equipping this army on a one-time basis.

Third, the labor situation is deteriorating and the left-wing labor organization, which is manipulated by the Communist Party, controls approximately 35 percent of the Cypriot vote. He mentions the weak leadership of the right-wing labor organization and advises that they need to accelerate their program of training young Cypriot labor leaders in the United States to help rebuild the right-wing labor organization.

Fourth, the government of Cyprus has no official spokesman who could make known its policy and explain its attitude on a regular basis. On the other hand, the Communists have a hard line and are following it firmly. Ambassador Wilkins believes that in public relations procedures in the United States to relieve this situation.

22 December 1960

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THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

60-9797 B

American Embassy, Nicosia, Cyprus, October 27, 1960.

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OFFICIAL-INFORMAL

Dear Mr. Dulles:

STAT this	I had not realized you time until	planned to visit the	Middle East at
STAT			

Before I left Washington, I had a brief talk with who told me that now the Cyprus problem had been settled, I should probably be able to mix some relaxation with duty. Since my arrival, however, I have found that, while the Cyprus problem itself has been settled, there are many after-effects. I should like to mention several of these.

First, Cyprus has had several years of drought, which has worsened the lot of the farmer and contributed to urban unemployment which was already mounting because of the British withdrawal. We are now in the process of working out a Title II PL 480 program with the Government of Cyprus and hope soon to obtain about 50,000 tons of American grain. We plan to use the proceeds from the sale of this grain to lessen the unemployment problem.

The Honorable Allen W. Dulles, American Embassy, Athens, Greece.

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Second, the London-Zurich Agreements provide for a 2,000-man Cypriot army. The Government of Cyprus would be hard put to set up and equip this army with its own funds and, for various reasons, is unable to obtain what it needs from Great Britain, Greece or Turkey. American policy has been that Cyprus should first look to these countries as the guarantor powers. While Vice Admiral Anderson was here, we discussed this problem and recommended to Mashington that the United States assist by equipping a 2,000-man Cypriot army on a one-time basis. We have not yet had a response to this recommendation.

Third, the labor situation is deteriorating. PEO, the left-wing labor organization, is manipulated by AKEL, the communist party, under the able leadership of Ziartides, and controls approximately 35 percent of the Cypriot vote. SEK, the right-wing labor organization, under the weak leadership of Pissas, seems unable to reorganize itself and to combat the spread of communism on this island.

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Fourth, the Government of Cyprus has no official spokesman who could make known its policy and explain its attitude on a regular basis. The constitutional set-up complicates the appearance of Cypriot Ministers in the House of Representatives and Makarios has no public information office. As a result, Cypriot policy statements appear on a hit-or-miss basis; meanwhile the communists have a hard line and are following it resolutely. This problem has only recently come to the fore, and we have made no recommendations as yet to Mashington, but Cypriot officials are aware of the problem and are trying to persuade the Archbishop to set up an information office. I have no final suggestion at this stage, but would think

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I will not attempt to set down further details in this letter, but wanted to describe the scope of some of the problems which we STAT

have. will, I know, be able to give you any further information which you might like to have.

Best wishes.

Sincerely yours,

Fraser Milkins

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